

25th June 2019

Colombo Stock Exchange
#04-01 West Block,
World Trade Center,
Echelon Square,
Colombo 01.

*Attn. Mr. Renuke Wijewardhane
Chief Regulatory Officer*

Dear Sirs,

**RE: PEOPLE'S LEASING & FINANCE PLC – DECLARATION OF A FINAL
DIVIDEND PAYABLE AS A SCRIP DIVIDEND**

We write to inform you that the Board of Directors of People's Leasing & Finance PLC has decided to recommend to the shareholders the payment of a final dividend payable as a scrip dividend subject to obtaining shareholder approval at the Annual General Meeting of the Company. The date of the Annual General Meeting will be notified in due course. We give below the information required to be furnished in terms of Rule 7.1 of the Listing Rules of the Colombo Stock Exchange in respect thereof.

1. Dividend per share – Cents Fifty (Rs.0.50) payable as a Scrip Dividend.
2. In terms of Article 13(3) of the Articles of Association of the Company, the approval of the shareholders is required for a distribution of a final dividend.
3. A certified excerpt taken from the Circular Resolution duly passed by the Board of Directors of the Company is attached hereto.
4. Date of dispatch of dividend payment – will be notified in due course.
5. The Books of the Company will not be closed.
6. Financial year applicable for the dividend – Final Dividend for the financial year ended 31st March 2019.
7. A certified copy of the Certificate signed by circulation by the majority of the Board of Directors of the Company to the effect that the Company is able to satisfy the Solvency Test immediately after the dividend distribution is attached hereto. The certified copy of the Certificate signed by all the Directors would be submitted at the earliest.
8. A certified copy of the certificate of solvency issued by the Auditors will be forwarded to you in due course.
9. The total amount payable under scrip dividend shall amount to a total amount of Rupees Seven hundred eighty nine million nine hundred and thirty one thousand two hundred and forty one (Rs.789,931,241). Scrip dividend shall be subject to withholding tax on dividend at the rate of 14%.

The number of ordinary shares to be issued under the scrip dividend will be 47,840,906 on the basis of Rs.14.20 per share which results in one (01) share being issued for each existing thirty three decimal zero two three two five five nine one four one (33.0232559141) held by the shareholders at the end of trading on the Colombo Stock Exchange as of the date of the Annual General Meeting.

10. The current stated capital of the Company – Rs.13,236,073,308/-
11. The value of reserve/s to be capitalized for the issue of shares – The value of retained profit to be capitalized for the issue of shares is Rs.789,931,241/-. This amount is including the withholding tax on dividend at the rate of 14%.

The scrip dividend is subject to the Colombo Stock Exchange approving in principle, the issue and listing of shares and obtaining shareholder approval in terms of the Company's Articles of Association.

Yours faithfully,

PEOPLE'S LEASING & FINANCE PLC



Lakmini Kottegoda
Company Secretary